

BEFORE THE
HONORABLE CECILIA G. MORRIS, JUDGE OF
THE UNITED STATES BANKRUPTCY COURT FOR THE
SOUTHERN DISTRICT OF NEW YORK

Adv. Pro. No. 12-01565 (CGM)

IRVING H. PICARD v. STANDARD CHARTERED FINANCIAL SERVICES, *et al*

FINN DECLARATION EXHIBIT F

**LETTER OF UNDERSTANDING BETWEEN AMERICAN
EXPRESS BANK LTD. AND FAIRFIELD GREENWICH
LIMITED, DATED DECEMBER 31, 2002**



Fairfield Greenwich Advisors, L.L.C.
919 Third Avenue
New York, NY 10022-3902
Tel: (212) 319-6060
Fax: (212) 319-0450
www.fggus.com

December 31, 2002

AMERICAN EXPRESS BANK LTD.
200 Vesey Street
22nd Floor
New York, New York 10285

Re: LETTER OF UNDERSTANDING

Gentlemen:

This will confirm our non-exclusive agreement that AMERICAN EXPRESS BANK LTD., a company incorporated and existing under the laws of Delaware, (herein after named AMERICAN EXPRESS) will use its best effort in promoting to institutional and Private investors in accordance with FAIRFIELD GREENWICH LIMITED's funding objectives and criteria, for fund's sponsored or placed by FAIRFIELD GREENWICH LIMITED (the "Funds").

It being understood that AMERICAN EXPRESS will not promote Funds to clients in jurisdictions where it is unlawful to do so, as described in the offering memorandum of the Fund. In addition, AMERICAN EXPRESS is not authorized to disseminate any information to clients other than is contained in the prospectus of the Fund. Fund subscriptions will only become effective upon acceptance by the Fund administrator.

This Agreement is non-exclusive except in relation to those clients introduced by AMERICAN EXPRESS directly or indirectly. An indirect client of AMERICAN EXPRESS is one that has been introduced to FAIRFIELD GREENWICH LIMITED by a directly introduced client of AMERICAN EXPRESS.

An investor is deemed to have been introduced to FAIRFIELD GREENWICH LIMITED if AMERICAN EXPRESS notifies FAIRFIELD GREENWICH LIMITED in writing and FAIRFIELD GREENWICH LIMITED does not object to AMERICAN EXPRESS soliciting such investor within five working days of delivery to FAIRFIELD GREENWICH LIMITED of such notice by telecopy or mail. The same procedure applies for investors introduced indirectly to FAIRFIELD GREENWICH LIMITED.

1. Compensation

In relation to subscriptions by clients introduced by AMERICAN EXPRESS directly or indirectly (as per paragraph above), the following fees will be rebated to AMERICAN EXPRESS:

Single manager investment funds

Fairfield Sentry Limited: Generally, there will be no payout on Sentry assets newly subscribed for by AMERICAN EXPRESS and its clients. However, in order to facilitate the further development of AMERICAN EXPRESS' private banking network, AMERICAN EXPRESS will be rebated 15% of the 20% per annum performance fee for all Fairfield Sentry Limited assets that are transferred in from other banks with respect to preexisting accounts.

Fairfield Greenwich – FFTW Diversified Alpha Ltd.: 30 basis points of management fee and 2.1% of the total 20% incentive fee.

Fairfield GMO Market Neutral Fund Limited, Private Client Shares: 50 basis points per annum of management fee.

Multi-manager investment funds:

Fairfield Masters Fund Limited, Private Client Shares: 50 basis points per annum management fee.

Fairfield Investment Fund Limited: 1% per annum management fee.

FIF Advanced Limited Fund: 1% of assets invested in FIF Advanced's underlying funds.

The fees will be payable to AMERICAN EXPRESS by FAIRFIELD GREENWICH LIMITED within 30 days from the time the FAIRFIELD GREENWICH LIMITED gets paid.

All payments to be executed by wire transfer. Wiring instructions will be provided separately. Reports detailing fees payable to American Express will be sent to the party listed in section 6 of this agreement.

2. Term of Agreement

This Agreement is effective as of its date and will remain in effect until the later of (i) its termination by either party upon thirty (30) days written notice to the other or (ii) the date on which all Funds owned by clients shall have been redeemed.

3. Representation and Warranty

Each of FAIRFIELD GREENWICH LIMITED and AMERICAN EXPRESS represents and warrants that each has the legal right, power and authority to enter into this agreement and to perform the transactions contemplated hereby.

4. Entire Agreement

This Agreement contains the entire agreement between FAIRFIELD GREENWICH LIMITED and AMERICAN EXPRESS, and supersedes all previous agreements between the parties concerning the subject matter hereof. No representations, inducements, promises or agreements, oral or otherwise, with respect to the subject matter of this Agreement that are not embodied or referred to herein shall have any force or effect.

5. Amendments

This Agreement may be amended, only by the written consent of both parties.

6. Notices

Notices under this Agreement shall be in writing and shall be sent by registered mail, return receipt requested, or by facsimile addressed as follows:

FAIRFIELD GREENWICH LIMITED	Mr. Robert A. Blum FAIRFIELD GREENWICH LIMITED 919 Third Avenue, 11 th Floor New York, New York 10022
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AMERICAN EXPRESS BANK LTD.	Mr. Joseph Hardiman AMERICAN EXPRESS BANK LTD. 200 Vessey Street – 22 nd Floor New York, New York 10285 Tel: (212) 415 4615 Fax: (612) 547 3395
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7 Jurisdictions

This Agreement and the rights and obligations of the parties hereto shall be governed by and construed in accordance with the laws of the State of New York.


8. Indemnification

Each party agrees to indemnify and hold the other party harmless from any loss, damage, liability or expense, including reasonable attorneys' fees and other legal expenses, to which the other party may become subject arising out of or relating to any act of omission by the indemnifying party (or any person connected or associated with the indemnifying party) which is or is alleged to be a violation of any applicable statutes, laws or regulations or arising from the gross negligence or willful misconduct of the indemnifying party.

Kindly indicate your acceptance of the foregoing terms and conditions by signing and returning to FAIRFIELD GREENWICH LIMITED the attached duplicate of this agreement.

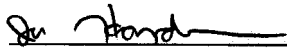
Sincerely,

FAIRFIELD GREENWICH LIMITED

By: 
Robert A. Blum

Agreed to and accepted:

AMERICAN EXPRESS BANK LTD.

By:  Date: 3/31/03